

AMENDMENT NO.

CAL. NO.

[STAFF WORKING DRAFT]

June 20, 2007

Purpose: To modify the proposed substitute for title V.

IN THE SENATE OF THE UNITED STATES—110TH Cong., 1ST Sess.

H.R. 6, 110TH Congress, 1ST Session

JUNE —, 2007

() Referred to the Committee on _____ and
ordered to be printed

() Ordered to lie on the table and to be printed

INTENDED to be proposed by Mr. _____ to the amend-
ment (No. 1711) proposed by Mr. Pryor

Viz:

1 In lieu of the matter proposed to be inserted, insert
2 the following:

3 **TITLE V—CORPORATE AVERAGE**
4 **FUEL ECONOMY STANDARDS**

5 **SEC. 501. SHORT TITLE.**

6 This title may be cited as the “Ten-in-Ten Fuel
7 Economy Act”.

1 **SEC. 502. AVERAGE FUEL ECONOMY STANDARDS FOR**
2 **AUTOMOBILES AND CERTAIN OTHER VEHI-**
3 **CLES.**

4 (a) INCREASED STANDARDS.—Section 32902 of title
5 49, United States Code, is amended—

6 (1) by striking “**NON-PASSENGER**
7 **AUTOMOBILES.**—” in subsection (a) and in-
8 serting “**PRESCRIPTION OF STANDARDS**
9 **BY REGULATION.**—”;

10 (2) by striking “(except passenger auto-
11 mobiles)” in subsection (a); and

12 (3) by striking subsection (b) and inserting the
13 following:

14 “(b) STANDARDS FOR AUTOMOBILES AND CERTAIN
15 OTHER VEHICLES.—

16 “(1) IN GENERAL.—The Secretary of Transpor-
17 tation, after consultation with the Administrator of
18 the Environmental Protection Agency, shall pre-
19 scribe average fuel economy standards for—

20 “(A) automobiles manufactured by manu-
21 facturers in each model year beginning with
22 model year 2011 in accordance with subsection
23 (c); and

24 “(B) commercial medium-duty or heavy-
25 duty on-highway vehicles in accordance with
26 subsection (k).

1 “(2) FUEL ECONOMY TARGET FOR AUTO-
2 MOBILES.—

3 “(A) AUTOMOBILE FUEL ECONOMY AVER-
4 AGE FOR MODEL YEARS 2011 THROUGH 2020.—
5 The Secretary shall prescribe average fuel econ-
6 omy standards for automobiles in each model
7 year beginning with model year 2011 to achieve
8 a combined fuel economy average for model
9 year 2020 of at least 35 miles per gallon for the
10 fleet of automobiles manufactured or sold in the
11 United States. The average fuel economy stand-
12 ards prescribed by the Secretary shall be the
13 maximum feasible average fuel economy stand-
14 ards for model years 2011 through 2019.

15 “(B) AUTOMOBILE FUEL ECONOMY AVER-
16 AGE FOR MODEL YEARS 2021 THROUGH 2030.—
17 For model years 2021 through 2030, the aver-
18 age fuel economy required to be attained by the
19 fleet of automobiles manufactured or sold in the
20 United States shall be the maximum feasible
21 average fuel economy standard for the fleet.

22 “(C) PROGRESS TOWARD STANDARD RE-
23 QUIRED.—In prescribing average fuel economy
24 standards under subparagraph (A), the Sec-
25 retary shall prescribe annual fuel economy

1 standard increases that increase the applicable
2 average fuel economy standard ratably begin-
3 ning with model year 2011 and ending with
4 model year 2020.”.

5 (b) FUEL ECONOMY TARGET FOR COMMERCIAL ME-
6 DIUM-DUTY AND HEAVY-DUTY ON-HIGHWAY VEHI-
7 CLES.—Section 32902 of title 49, United States Code, is
8 amended by adding at the end thereof the following:

9 “(k) COMMERCIAL MEDIUM- AND HEAVY-DUTY ON-
10 HIGHWAY VEHICLES.—

11 “(1) STUDY.—No later than 18 months after
12 the date of enactment of the Ten-in-Ten Fuel Econ-
13 omy Act, the Secretary of Transportation, in con-
14 sultation with the Secretary of Energy and the Ad-
15 ministrator of the Environmental Protection Agency,
16 shall examine the fuel efficiency of commercial
17 medium- and heavy-duty on-highway vehicles and
18 determine—

19 “(A) the appropriate test procedures and
20 methodologies for measuring commercial
21 medium- and heavy-duty on-highway vehicle
22 fuel efficiency;

23 “(B) the appropriate metric for measuring
24 and expressing commercial medium- and heavy-
25 duty on-highway vehicle fuel efficiency perform-

1 ance, taking into consideration, among other
2 things, the work performed by such on-highway
3 vehicles and types of operations in which they
4 are used;

5 “(C) the range of factors, including, with-
6 out limitation, design, functionality, use, duty
7 cycle, infrastructure, and total overall energy
8 consumption and operating costs that effect
9 commercial medium- and heavy-duty on-high-
10 way vehicle fuel efficiency; and

11 “(D) such other factors and conditions
12 that could have an impact on a program to im-
13 prove commercial medium- and heavy-duty on-
14 highway vehicle fuel efficiency.

15 “(2) RULEMAKING.—No later than 24 months
16 after completion of the study required by paragraph
17 (1), the Secretary, in consultation with the Secretary
18 of Energy and the Administrator of the Environ-
19 mental Protection Agency, by regulation, shall deter-
20 mine in a rulemaking procedure how to implement
21 a commercial medium- and heavy-duty on-highway
22 vehicle fuel efficiency improvement program de-
23 signed to achieve the maximum feasible improve-
24 ment, and shall adopt appropriate test methods,
25 measurement metrics, fuel economy standards, and

1 compliance and enforcement protocols that are ap-
2 propriate, cost-effective, and technologically feasible
3 for commercial medium- and heavy-duty on-highway
4 vehicles.

5 “(3) LEAD-TIME; REGULATORY STABILITY.—
6 Any commercial medium- and heavy-duty on-high-
7 way vehicle fuel efficiency regulatory program adopt-
8 ed pursuant to this subsection shall provide no less
9 than 4 full model years of regulatory lead-time and
10 3 full model years of regulatory stability.

11 “(4) COMMERCIAL MEDIUM- AND HEAVY-DUTY
12 ON-HIGHWAY VEHICLE DEFINED.—In this sub-
13 section, the term ‘commercial medium- and heavy-
14 duty on-highway vehicle’ means an on-highway vehi-
15 cle with a gross vehicle weight rating of more than
16 8,500 pounds, and that, in the case of a vehicle with
17 a gross vehicle weight rating of less than 10,000
18 pounds, is not an automobile.”.

19 (c) AUTHORITY OF SECRETARY.—Section 32902 of
20 title 49, United States Code, as amended by subsection
21 (b), is further amended by adding at the end thereof the
22 following:

23 “(1) AUTHORITY OF THE SECRETARY.—

24 “(1) VEHICLE ATTRIBUTES; MODEL YEARS COV-
25 ERED.—The Secretary shall—

1 “(A) prescribe by regulation average fuel
2 economy standards for automobiles based on ve-
3 hicle attributes related to fuel economy and to
4 express the standards in the form of a mathe-
5 matical function; and

6 “(B) issue regulations under this title pre-
7 scribing average fuel economy standards for 1
8 or more model years.

9 “(2) PROHIBITION OF UNIFORM PERCENTAGE
10 INCREASE.—When the Secretary prescribes a stand-
11 ard, or prescribes an amendment under this section
12 that changes a standard, the standard may not be
13 expressed as a uniform percentage increase from the
14 fuel-economy performance of attribute classes or cat-
15 egories already achieved in a model year by a manu-
16 facturer.”.

17 **SEC. 503. AMENDING FUEL ECONOMY STANDARDS.**

18 (a) IN GENERAL.—Section 32902(c) of title 49,
19 United States Code, is amended to read as follows:

20 “(c) AMENDING FUEL ECONOMY STANDARDS.—Not-
21 withstanding subsections (a) and (b), the Secretary of
22 Transportation—

23 “(1) may prescribe a standard higher than that
24 required under subsection (b); or

1 “(2) may prescribe an average fuel economy
2 standard for automobiles that is the maximum fea-
3 sible level for the model year, despite being lower
4 than the standard required under subsection (b), if
5 the Secretary determines, based on clear and con-
6 vincing evidence, that the average fuel economy
7 standard prescribed in accordance with subsections
8 (a) and (b) for automobiles in that model year is
9 shown not to be cost-effective.”.

10 (b) FEASIBILITY CRITERIA.—Section 32902(f) of
11 title 49, United States Code, is amended to read as fol-
12 lows:

13 “(f) DECISIONS ON MAXIMUM FEASIBLE AVERAGE
14 FUEL ECONOMY.—

15 “(1) IN GENERAL.—When deciding maximum
16 feasible average fuel economy under this section, the
17 Secretary shall consider—

18 “(A) economic practicability;

19 “(B) the effect of other motor vehicle
20 standards of the Government on fuel economy;

21 “(C) environmental impacts; and

22 “(D) the need of the United States to con-
23 serve energy.

24 “(2) LIMITATIONS.—In setting any standard
25 under subsection (b), (c), or (d), the Secretary shall

1 ensure that each standard is the highest standard
2 that—

3 “(A) is technologically achievable;

4 “(B) can be achieved without materially
5 reducing the overall safety of automobiles man-
6 ufactured or sold in the United States;

7 “(C) is not less than the standard for that
8 class of vehicles from any prior year; and

9 “(D) is cost-effective.

10 “(3) COST-EFFECTIVE DEFINED.—In this sub-
11 section, the term ‘cost-effective’ means that the
12 value to the United States of reduced fuel use from
13 a proposed fuel economy standard is greater than or
14 equal to the cost to the United States of such stand-
15 ard. In determining cost-effectiveness, the Secretary
16 shall give priority to those technologies and packages
17 of technologies that offer the largest reduction in
18 fuel use relative to their costs.

19 “(4) FACTORS FOR CONSIDERATION BY SEC-
20 RETARY IN DETERMINING COST-EFFECTIVENESS.—
21 The Secretary shall consult with the Administrator
22 of the Environmental Protection Agency, and may
23 consult with such other departments and agencies as
24 the Secretary deems appropriate, and shall consider
25 in the analysis the following factors:

1 “(A) Economic security.

2 “(B) The impact of the oil or energy inten-
3 sity of the United States economy on the sensi-
4 tivity of the economy to oil and other fuel price
5 changes, including the magnitude of gross do-
6 mestic product losses in response to short term
7 price shocks or long term price increases.

8 “(C) National security, including the im-
9 pact of United States payments for oil and
10 other fuel imports on political, economic, and
11 military developments in unstable or unfriendly
12 oil-exporting countries.

13 “(D) The uninternalized costs of pipeline
14 and storage oil seepage, and for risk of oil spills
15 from production, handling, and transport, and
16 related landscape damage.

17 “(E) The emissions of pollutants including
18 greenhouse gases over the lifecycle of the fuel
19 and the resulting costs to human health, the
20 economy, and the environment.

21 “(F) Such additional factors as the Sec-
22 retary deems relevant.

23 “(5) MINIMUM VALUATION.—When considering
24 the value to consumers of a gallon of gasoline saved,

1 the Secretary of Transportation shall use as a min-
2 imum value the greater of—

3 “(A) the average value of gasoline prices
4 projected by the Energy Information Adminis-
5 tration over the period covered by the standard;
6 or

7 “(B) the average value of gasoline prices
8 for the 5-year period immediately preceding the
9 year in which the standard is established.”.

10 (c) CONSULTATION REQUIREMENT.—Section
11 32902(i) of title 49, United States Code, is amended by
12 inserting “and the Administrator of the Environmental
13 Protection Agency” after “Energy”.

14 (d) COMMENTS.—Section 32902(j) of title 49, United
15 States Code, is amended—

16 (1) by striking paragraph (1) and inserting
17 “(1) Before issuing a notice proposing to prescribe
18 or amend an average fuel economy standard under
19 subsection (b), (c), or (g) of this section, the Sec-
20 retary of Transportation shall give the Secretary of
21 Energy and Administrator of the Environmental
22 Protection Agency at least 30 days after the receipt
23 of the notice during which the Secretary of Energy
24 and Administrator may, if the Secretary of Energy
25 or Administrator concludes that the proposed stand-

1 ard would adversely affect the conservation goals of
2 the Secretary of Energy or environmental protection
3 goals of the Administrator, provide written com-
4 ments to the Secretary of Transportation about the
5 impact of the standard on those goals. To the extent
6 the Secretary of Transportation does not revise a
7 proposed standard to take into account comments of
8 the Secretary of Energy or Administrator on any ad-
9 verse impact of the standard, the Secretary of
10 Transportation shall include those comments in the
11 notice.”; and

12 (2) by inserting “and the Administrator” after
13 “Energy” each place it appears in paragraph (2).

14 (e) ALTERNATIVE FUEL ECONOMY STANDARDS FOR
15 LOW VOLUME MANUFACTURERS AND NEW ENTRANTS.—
16 Section 32902(d) of title 49, United States Code, is
17 amended to read as follows:

18 “(d) ALTERNATIVE AVERAGE FUEL ECONOMY
19 STANDARD.—

20 “(1) IN GENERAL.—Upon the application of an
21 eligible manufacturer, the Secretary of Transpor-
22 tation may prescribe an alternative average fuel
23 economy standard for automobiles manufactured by
24 that manufacturer if the Secretary determines
25 that—

1 “(A) the applicable standard prescribed
2 under subsection (a), (b), or (c) is more strin-
3 gent than the maximum feasible average fuel
4 economy level that manufacturer can achieve;
5 and

6 “(B) the alternative average fuel economy
7 standard prescribed under this subsection is the
8 maximum feasible average fuel economy level
9 that manufacturer can achieve.

10 “(2) APPLICATION OF ALTERNATIVE STAND-
11 ARD.—The Secretary may provide for the applica-
12 tion of an alternative average fuel economy standard
13 prescribed under paragraph (1) to—

14 “(A) the manufacturer that applied for the
15 alternative average fuel economy standard;

16 “(B) all automobiles to which this sub-
17 section applies; or

18 “(C) classes of automobiles manufactured
19 by eligible manufacturers.

20 “(3) IMPORTERS.—Notwithstanding paragraph
21 (1), an importer registered under section 30141(c)
22 may not be exempted as a manufacturer under para-
23 graph (1) for an automobile that the importer—

24 “(A) imports; or

1 “(B) brings into compliance with applica-
2 ble motor vehicle safety standards prescribed
3 under chapter 301 for an individual described
4 in section 30142.

5 “(4) APPLICATION.—The Secretary of Trans-
6 portation may prescribe the contents of an applica-
7 tion for an alternative average fuel economy stand-
8 ard.

9 “(5) ELIGIBLE MANUFACTURER DEFINED.—In
10 this section, the term ‘eligible manufacturer’ means
11 a manufacturer that—

12 “(A) is not owned in whole or in part by
13 another manufacturer that sold greater than
14 0.4 percent of the number of automobiles sold
15 in the United States in the model year prior to
16 the model year to which the application relates;

17 “(B) sold in the United States fewer than
18 0.4 percent of the number of automobiles sold
19 in the United States in the model year that is
20 2 years before the model year to which the ap-
21 plication relates; and

22 “(C) will sell in the United States fewer
23 than 0.4 percent of the automobiles sold in the
24 United States for the model year for which the

1 alternative average fuel economy standard will
2 apply.

3 “(6) LIMITATION.—For purposes of this sub-
4 section, notwithstanding section 32901(a)(4), the
5 term ‘automobile manufactured by a manufacturer’
6 includes every automobile manufactuered by a per-
7 son that controls, is controlled by, or is under com-
8 mon control with the manufacturer.”.

9 (f) TECHNICAL AND CONFORMING AMENDMENTS.—

10 (1) Section 32902(d) of title 49, United States
11 Code, is amended by striking “passenger” each place
12 it appears.

13 (2) Section 32902(g) of title 49, United States
14 Code, is amended—

15 (A) by striking “subsection (a) or (d)”
16 each place it appears in paragraph (1) and in-
17 serting “subsection (b), (c), or (d)”; and

18 (B) striking “(and submit the amendment
19 to Congress when required under subsection
20 (c)(2) of this section)” in paragraph (2).

21 **SEC. 504. DEFINITIONS.**

22 (a) IN GENERAL.—Section 32901(a) of title 49,
23 United States Code, is amended—

24 (1) by striking paragraph (3) and inserting the
25 following:

1 “(3) except as provided in section 32908 of this
2 title, ‘automobile’ means a 4-wheeled vehicle that is
3 propelled by fuel, or by alternative fuel, manufac-
4 tured primarily for use on public streets, roads, and
5 highways and rated at not more than 10,000 pounds
6 gross vehicle weight, except—

7 “(A) a vehicle operated only on a rail line;

8 “(B) a vehicle manufactured by 2 or more
9 manufacturers in different stages and less than
10 10,000 of which are manufactured per year; or

11 “(C) a work truck.”; and

12 (2) by adding at the end the following:

13 “(17) ‘work truck’ means an automobile that
14 the Secretary determines by regulation—

15 “(A) is rated at between 8,500 and 10,000
16 pounds gross vehicle weight; and

17 “(B) is not a medium-duty passenger vehi-
18 cle (as defined in section 86.1803–01 of title
19 40, Code of Federal Regulations).”.

20 (b) DEADLINE FOR REGULATIONS.—The Secretary
21 of Transportation—

22 (1) shall issue proposed regulations imple-
23 menting the amendments made by subsection (a) not
24 later than 1 year after the date of enactment of this
25 Act; and

1 (2) shall issue final regulations implementing
2 the amendments not later than 18 months after the
3 date of the enactment of this Act.

4 (c) **EFFECTIVE DATE.**—Regulations prescribed
5 under subsection (b) shall apply beginning with model year
6 2010.

7 **SEC. 505. ENSURING SAFETY OF AUTOMOBILES.**

8 (a) **IN GENERAL.**—Subchapter II of chapter 301 of
9 title 49, United States Code, is amended by adding at the
10 end the following:

11 **“§ 30129. Vehicle compatibility standard**

12 “(a) **STANDARDS.**—The Secretary of Transportation
13 shall issue a motor vehicle safety standard to reduce auto-
14 mobile incompatibility. The standard shall address charac-
15 teristics necessary to ensure better management of crash
16 forces in multiple vehicle frontal and side impact crashes
17 between different types, sizes, and weights of automobiles
18 with a gross vehicle weight of 10,000 pounds or less in
19 order to decrease occupant deaths and injuries.

20 “(b) **CONSUMER INFORMATION.**—The Secretary shall
21 develop and implement a public information side and fron-
22 tal compatibility crash test program with vehicle ratings
23 based on risks to occupants, risks to other motorists, and
24 combined risks by vehicle make and model.”.

25 (b) **RULEMAKING DEADLINES.**—

1 (1) RULEMAKING.—The Secretary of Transpor-
2 tation shall issue—

3 (A) a notice of a proposed rulemaking
4 under section 30129 of title 49, United States
5 Code, not later than January 1, 2012; and

6 (B) a final rule under such section not
7 later than December 31, 2014.

8 (2) EFFECTIVE DATE OF REQUIREMENTS.—

9 Any requirement imposed under the final rule issued
10 under paragraph (1) shall become fully effective not
11 later than September 1, 2018.

12 (c) CONFORMING AMENDMENT.—The chapter anal-
13 ysis for chapter 301 is amended by inserting after the item
14 relating to section 30128 the following:

 “30129. Vehicle compatibility standard”.

15 **SEC. 506. CREDIT TRADING PROGRAM.**

16 Section 32903 of title 49, United States Code, is
17 amended—

18 (1) by striking “passenger” each place it ap-
19 pears;

20 (2) by striking “section 32902(b)–(d) of this
21 title” each place it appears and inserting “sub-
22 section (a), (c), or (d) of section 32902”;

23 (3) by striking “3 consecutive model years” in
24 subsection (a)(2) and inserting “5 consecutive model
25 years”;

1 (4) in subsection (a)(2), by striking “clause (1)
2 of this subsection,” and inserting “paragraph (1)”;
3 and

4 (5) by striking subsection (e) and inserting the
5 following:

6 “(e) CREDIT TRADING AMONG MANUFACTURERS.—
7 The Secretary of Transportation may establish, by regula-
8 tion, a corporate average fuel economy credit trading pro-
9 gram to allow manufacturers whose automobiles exceed
10 the average fuel economy standards prescribed under sec-
11 tion 32902 to earn credits to be sold to manufacturers
12 whose automobiles fail to achieve the prescribed standards
13 such that the total oil savings associated with manufactur-
14 ers that exceed the prescribed standards are preserved
15 when transferring credits to manufacturers that fail to
16 achieve the prescribed standards.”.

17 **SEC. 507. LABELS FOR FUEL ECONOMY AND GREENHOUSE**
18 **GAS EMISSIONS.**

19 Section 32908 of title 49, United States Code, is
20 amended—

21 (1) by redesignating subparagraph (F) of sub-
22 section (b)(1) as subparagraph (H) and inserting
23 after subparagraph (E) the following:

24 “(F) a label (or a logo imprinted on a label re-
25 quired by this paragraph) that—

1 “(i) reflects an automobile’s performance
2 on the basis of criteria developed by the Admin-
3 istrator to reflect the fuel economy and green-
4 house gas and other emissions consequences of
5 operating the automobile over its likely useful
6 life;

7 “(ii) permits consumers to compare per-
8 formance results under clause (i) among all
9 automobiles; and

10 “(iii) is designed to encourage the manu-
11 facture and sale of automobiles that meet or ex-
12 ceed applicable fuel economy standards under
13 section 32902.

14 “(G) a fuelstar under paragraph (5).”; and
15 (2) by adding at the end of subsection (b) the
16 following:

17 “(4) GREEN LABEL PROGRAM.—

18 “(A) MARKETING ANALYSIS.—Not later than 2
19 years after the date of the enactment of the Ten-in-
20 Ten Fuel Economy Act, the Administrator shall im-
21 plement a consumer education program and execute
22 marketing strategies to improve consumer under-
23 standing of automobile performance described in
24 paragraph (1)(F).

1 “(B) ELIGIBILITY.—Not later than 3 years
2 after the date described in subparagraph (A), the
3 Administrator shall issue requirements for the label
4 or logo required under paragraph (1)(F) to ensure
5 that an automobile is not eligible for the label or
6 logo unless it—

7 “(i) meets or exceeds the applicable fuel
8 economy standard; or

9 “(ii) will have the lowest greenhouse gas
10 emissions over the useful life of the vehicle of
11 all vehicles in the vehicle attribute class to
12 which it belongs in that model year.

13 “(5) FUELSTAR PROGRAM.—

14 “(A) IN GENERAL.—The Secretary shall estab-
15 lish a program, to be known as the ‘Fuelstar Pro-
16 gram’, under which stars shall be imprinted on or
17 attached to the label required by paragraph (1).

18 “(B) GREEN STARS.—Under the Fuelstar Pro-
19 gram, a manufacturer may include on the label
20 maintained on an automobile under paragraph (1)—

21 “(i) 1 green star for any automobile that
22 meets the average fuel economy standard for
23 the model year under section 32902; and

1 “(ii) 1 additional green star for each 2
2 miles per gallon by which the automobile ex-
3 ceeds such standard.

4 “(C) GOLD STARS.—Under the Fuelstar Pro-
5 gram, a manufacturer may include a gold star on
6 the label maintained on an automobile under para-
7 graph (1) if the automobile attains a fuel economy
8 of at least 50 miles per gallon.”.

9 **SEC. 508. CONTINUED APPLICABILITY OF EXISTING STAND-**
10 **ARDS.**

11 Nothing in this title, or the amendments made by this
12 title, shall be construed to affect the application of section
13 32902 of title 49, United States Code, to passenger auto-
14 mobiles or non-passenger automobiles manufactured be-
15 fore model year 2011.

16 **SEC. 509. NATIONAL ACADEMY OF SCIENCES STUDIES.**

17 (a) IN GENERAL.—As soon as practicable after the
18 date of enactment of this Act, the Secretary of Transpor-
19 tation shall execute an agreement with the National Acad-
20 emy of Sciences to develop a report evaluating vehicle fuel
21 economy standards, including—

22 (1) an assessment of automotive technologies
23 and costs to reflect developments since the Acad-
24 emy’s 2002 report evaluating the corporate average
25 fuel economy standards was conducted;

1 (2) an analysis of existing and potential tech-
2 nologies that may be used practically to improve
3 automobile and medium-duty and heavy-duty truck
4 fuel economy;

5 (3) an analysis of how such technologies may be
6 practically integrated into the automotive and me-
7 dium-duty and heavy-duty truck manufacturing
8 process; and

9 (4) an assessment of how such technologies may
10 be used to meet the new fuel economy standards
11 under chapter 329 of title 49, United States Code,
12 as amended by this title.

13 (b) QUINQUENNIAL UPDATES.—After submitting the
14 initial report, the Academy shall update the report at 5
15 year intervals thereafter through 2025.

16 (c) REPORT.—The Academy shall submit the report
17 to the Secretary, the Senate Committee on Commerce,
18 Science, and Transportation and the House of Represent-
19 atives Committee on Energy and Commerce, with its find-
20 ings and recommendations no later than 18 months after
21 the date on which the Secretary executes the agreement
22 with the Academy.

1 **SEC. 510. STANDARDS FOR EXECUTIVE AGENCY AUTO-**
2 **MOBILES.**

3 (a) IN GENERAL.—Section 32917 of title 49, United
4 States Code, is amended to read as follows:

5 **“§ 32917. Standards for Executive agency automobiles**

6 “(a) FUEL EFFICIENCY.—The head of an Executive
7 agency shall ensure that each new automobile procured by
8 the Executive agency is as fuel efficient as practicable.

9 “(b) DEFINITIONS.—In this section:

10 “(1) EXECUTIVE AGENCY.—The term ‘Execu-
11 tive agency’ has the meaning given that term in sec-
12 tion 105 of title 5.

13 “(2) NEW AUTOMOBILE.—The term ‘new auto-
14 mobile’, with respect to the fleet of automobiles of
15 an executive agency, means an automobile that is
16 leased for at least 60 consecutive days or bought, by
17 or for the Executive agency, after September 30,
18 2008. The term does not include any vehicle de-
19 signed for combat-related missions, law enforcement
20 work, or emergency rescue work.”.

21 (b) REPORT.—The Administrator of the General
22 Services Administration shall develop a report describing
23 and evaluating the efforts of the heads of the Executive
24 agencies to comply with section 32917 of title 49, United
25 States Code, for fiscal year 2009. The Administrator shall

1 submit the report to Congress no later than December 31,
2 2009.

3 **SEC. 511. INCREASING CONSUMER AWARENESS OF FLEXI-**
4 **BLE FUEL AUTOMOBILES.**

5 Section 32908 of title 49, United States Code, is
6 amended by adding at the end the following:

7 “(g) INCREASING CONSUMER AWARENESS OF FLEXI-
8 BLE FUEL AUTOMOBILES.—(1) The Secretary of Energy,
9 in consultation with the Secretary of Transportation, shall
10 prescribe regulations that require the manufacturer of
11 automobiles distributed in interstate commerce for sale in
12 the United States—

13 “(A) to prominently display a permanent badge
14 or emblem on the quarter panel or tailgate of each
15 such automobile that indicates such vehicle is capa-
16 ble of operating on alternative fuel; and

17 “(B) to include information in the owner’s man-
18 ual of each such automobile information that de-
19 scribes—

20 “(i) the capability of the automobile to op-
21 erate using alternative fuel;

22 “(ii) the benefits of using alternative fuel,
23 including the renewable nature, and the envi-
24 ronmental benefits of using alternative fuel; and

1 “(C) to contain a fuel tank cap that is clearly
2 labeled to inform consumers that the automobile is
3 capable of operating on alternative fuel.

4 “(2) The Secretary of Transportation shall collabo-
5 rate with automobile retailers to develop voluntary meth-
6 ods for providing prospective purchasers of automobiles
7 with information regarding the benefits of using alter-
8 native fuel in automobiles, including—

9 “(A) the renewable nature of alternative fuel;
10 and

11 “(B) the environmental benefits of using alter-
12 native fuel.”.

13 **SEC. 512. PERIODIC REVIEW OF ACCURACY OF FUEL ECON-**
14 **OMY LABELING PROCEDURES.**

15 Beginning in December, 2009, and not less often
16 than every 5 years thereafter, the Administrator of the
17 Environmental Protection Agency, in consultation with
18 the Secretary of Transportation, shall—

19 (1) reevaluate the fuel economy labeling proce-
20 dures described in the final rule published in the
21 Federal Register on December 27, 2006 (71 Fed.
22 Reg. 77,872; 40 C.F.R. parts 86 and 600) to deter-
23 mine whether changes in the factors used to estab-
24 lish the labeling procedures warrant a revision of
25 that process; and

1 (2) submit a report to the Senate Committee on
2 Commerce, Science, and Transportation and the
3 House of Representatives Committee on Energy and
4 Commerce that describes the results of the reevalua-
5 tion process.

6 **SEC. 513. TIRE FUEL EFFICIENCY CONSUMER INFORMA-**
7 **TION.**

8 (a) IN GENERAL.—Chapter 301 of title 49, United
9 States Code, is amended by inserting after section 30123
10 the following new section:

11 **“§ 30123A. Tire fuel efficiency consumer information**

12 “(a) RULEMAKING.—

13 “(1) IN GENERAL.—Not later than 18 months
14 after the date of enactment of the Ten-in-Ten Fuel
15 Economy Act, the Secretary of Transportation shall,
16 after notice and opportunity for comment, promul-
17 gate rules establishing a national tire fuel efficiency
18 consumer information program for tires designed for
19 use on motor vehicles to educate consumers about
20 the effect of tires on automobile fuel efficiency.

21 “(2) ITEMS INCLUDED IN RULE.—The rule-
22 making shall include—

23 “(A) a national tire fuel efficiency rating
24 system for motor vehicle tires to assist con-

1 sumers in making more educated tire pur-
2 chasing decisions;

3 “(B) requirements for providing informa-
4 tion to consumers, including information at the
5 point of sale and other potential information
6 dissemination methods, including the Internet;

7 “(C) specifications for test methods for
8 manufacturers to use in assessing and rating
9 tires to avoid variation among test equipment
10 and manufacturers; and

11 “(D) a national tire maintenance consumer
12 education program including, information on
13 tire inflation pressure, alignment, rotation, and
14 tread wear to maximize fuel efficiency.

15 “(3) APPLICABILITY.—This section shall not
16 apply to tires excluded from coverage under section
17 575.104(e)(2) of title 49, Code of Federal Regula-
18 tions, as in effect on date of enactment of the Ten-
19 in-Ten Fuel Economy Act.

20 “(b) CONSULTATION.—The Secretary shall consult
21 with the Secretary of Energy and the Administrator of
22 the Environmental Protection Agency on the means of
23 conveying tire fuel efficiency consumer information.

24 “(c) REPORT TO CONGRESS.—The Secretary shall
25 conduct periodic assessments of the rules promulgated

1 under this section to determine the utility of such rules
2 to consumers, the level of cooperation by industry, and the
3 contribution to national goals pertaining to energy con-
4 sumption. The Secretary shall transmit periodic reports
5 detailing the findings of such assessments to the Senate
6 Committee on Commerce, Science, and Transportation
7 and the House of Representatives Committee on Energy
8 and Commerce.

9 “(d) TIRE MARKING.—The Secretary shall not re-
10 quire permanent labeling of any kind on a tire for the pur-
11 pose of tire fuel efficiency information.

12 “(e) PREEMPTION.—When a requirement under this
13 section is in effect, a State or political subdivision of a
14 State may adopt or enforce a law or regulation on tire
15 fuel efficiency consumer information only if the law or reg-
16 ulation is identical to that requirement. Nothing in this
17 section shall be construed to preempt a State or political
18 subdivision of a State from regulating the fuel efficiency
19 of tires not otherwise preempted under this chapter.”.

20 (b) ENFORCEMENT.—Section 30165(a) of title 49,
21 United States Code, is amended by adding at the end the
22 following:

23 “(4) SECTION 30123a.—Any person who fails
24 to comply with the national tire fuel efficiency con-
25 sumer information program under section 30123A is

1 liable to the United States Government for a civil
2 penalty of not more than \$50,000 for each viola-
3 tion.”.

4 (c) Conforming Amendment.—The chapter analysis
5 for chapter 301 of title 49, United States Code, is amend-
6 ed by inserting after the item relating to section 30123
7 the following:

 “30123A. Tire fuel efficiency consumer information”.

8 **SEC. 514. ADVANCED BATTERY INITIATIVE.**

9 (a) IN GENERAL.—The Secretary of Energy, in con-
10 sultation with the Secretary of Transportation, shall es-
11 tablish and carry out an Advanced Battery Initiative in
12 accordance with this section to support research, develop-
13 ment, demonstration, and commercial application of bat-
14 tery technologies.

15 (b) INDUSTRY ALLIANCE.—Not later than 180 days
16 after the date of enactment of this Act, the Secretary shall
17 competitively select an Industry Alliance to represent par-
18 ticipants who are private, for-profit firms headquartered
19 in the United States, the primary business of which is the
20 manufacturing of batteries.

21 (c) RESEARCH.—

22 (1) GRANTS.—The Secretary shall carry out re-
23 search activities of the Initiative through competi-
24 tively-awarded grants to—

1 (A) researchers, including Industry Alli-
2 ance participants;

3 (B) small businesses;

4 (C) National Laboratories; and

5 (D) institutions of higher education.

6 (2) INDUSTRY ALLIANCE.—The Secretary shall
7 annually solicit from the Industry Alliance—

8 (A) comments to identify advanced battery
9 technology and battery systems needs relevant
10 to—

11 (i) electric drive technology; and

12 (ii) other applications the Secretary
13 deems appropriate;

14 (B) an assessment of the progress of re-
15 search activities of the Initiative; and

16 (C) assistance in annually updating ad-
17 vanced battery technology and battery systems
18 roadmaps.

19 (d) AVAILABILITY TO THE PUBLIC.—The informa-
20 tion and roadmaps developed under this section shall be
21 available to the public.

22 (e) PREFERENCE.—In making awards under this
23 subsection, the Secretary shall give preference to partici-
24 pants in the Industry Alliance.

1 (f) COST SHARING.—In carrying out this section, the
2 Secretary shall require cost sharing in accordance with
3 section 120(b) of title 23, United States Code.

4 (g) AUTHORIZATION OF APPROPRIATIONS.—There
5 are authorized to be appropriated to carry out this section
6 such sums as may be necessary for each of fiscal years
7 2008 through 2012.

8 **SEC. 515. BIODIESEL STANDARDS.**

9 (a) IN GENERAL.—Not later than 180 days after the
10 date of enactment of this Act, the Administrator of the
11 Environmental Protection Agency, in consultation with
12 the Secretary of Transportation and the Secretary of En-
13 ergy, shall promulgate regulations to ensure that all diesel-
14 equivalent fuels derived from renewable biomass that are
15 introduced into interstate commerce are tested and cer-
16 tified to comply with appropriate American Society for
17 Testing and Materials standards.

18 (b) DEFINITIONS.—In this section:

19 (1) BIODIESEL.—

20 (A) IN GENERAL.—The term “biodiesel”
21 means the monoalkyl esters of long chain fatty
22 acids derived from plant or animal matter that
23 meet—

24 (i) the registration requirements for
25 fuels and fuel additives established by the

1 Environmental Protection Agency under
2 section 211 of the Clean Air Act (42
3 U.S.C. 7545); and

4 (ii) the requirements of the American
5 Society of Testing and Materials D6751.

6 (B) INCLUSIONS.—The term “biodiesel”
7 includes esters described in subparagraph (A)
8 derived from—

9 (i) animal waste, including poultry
10 fat, poultry waste, and other waste mate-
11 rial; and

12 (ii) municipal solid waste, sludge, and
13 oil derived from wastewater or the treat-
14 ment of wastewater.

15 (2) BIODIESEL BLEND.—The term “biodiesel
16 blend” means a mixture of biodiesel and diesel fuel,
17 including—

18 (A) a blend of biodiesel and diesel fuel ap-
19 proximately 5 percent of the content of which
20 is biodiesel (commonly known as “B5”); and

21 (B) a blend of biodiesel and diesel fuel ap-
22 proximately 20 percent of the content of which
23 is biodiesel (commonly known as “B20”).

1 **SEC. 516. USE OF CIVIL PENALTIES FOR RESEARCH AND**
2 **DEVELOPMENT.**

3 Section 32912 of title 49, United States Code, is
4 amended by adding at the end thereof the following:

5 “(e) USE OF CIVIL PENALTIES.—For fiscal year
6 2008 and each fiscal year thereafter, from the total
7 amount deposited in the general fund of the Treasury dur-
8 ing the preceding fiscal year from fines, penalties, and
9 other funds obtained through enforcement actions con-
10 ducted pursuant to this section (including funds obtained
11 under consent decrees), the Secretary of the Treasury,
12 subject to the availability of appropriations, shall—

13 “(1) transfer 50 percent of such total amount
14 to the account providing appropriations to the Sec-
15 retary of Transportation for the administration of
16 this chapter, which shall be used by the Secretary to
17 carry out a program of research and development
18 into fuel saving automotive technologies and to sup-
19 port rulemaking under this chapter; and

20 “(2) transfer 50 percent of such total amount
21 to the Energy Security Fund established by section
22 517(a) of the Ten-in-Ten Fuel Economy Act.”.

23 **SEC. 517. ENERGY SECURITY FUND AND ALTERNATIVE**
24 **FUEL GRANT PROGRAM.**

25 (a) ESTABLISHMENT OF FUND.—

1 (1) IN GENERAL.—There is established in the
2 Treasury a fund, to be known as the “Energy Secu-
3 rity Fund” (referred to in this section as the
4 “Fund”), consisting of—

5 (A) amounts transferred to the Fund
6 under section 32912(e)(2) of title 49, United
7 States Code; and

8 (B) amounts credited to the Fund under
9 paragraph (2)(C).

10 (2) INVESTMENT OF AMOUNTS.—

11 (A) IN GENERAL.—The Secretary of the
12 Treasury shall invest in interest-bearing obliga-
13 tions of the United States such portion of the
14 Fund as is not, in the judgment of the Sec-
15 retary of the Treasury, required to meet cur-
16 rent withdrawals.

17 (B) SALE OF OBLIGATIONS.—Any obliga-
18 tion acquired by the Fund may be sold by the
19 Secretary of the Treasury at the market price.

20 (C) CREDITS TO FUND.—The interest on,
21 and the proceeds from the sale or redemption
22 of, any obligations held in the Fund shall be
23 credited to, and form a part of, the Fund in ac-
24 cordance with section 9602 of the Internal Rev-
25 enue Code of 1986.

1 (3) USE OF AMOUNTS IN FUND.—Amounts in
2 the Fund shall be made available to the Secretary of
3 Energy, subject to the availability of appropriations,
4 to carry out the grant program under subsection (b).

5 (b) ALTERNATIVE FUELS GRANT PROGRAM.—

6 (1) IN GENERAL.—Not later than 90 days after
7 the date of enactment of this Act, the Secretary of
8 Energy, acting through the Clean Cities Program of
9 the Department of Energy, shall establish and carry
10 out a program under which the Secretary shall pro-
11 vide grants to expand the availability to consumers
12 of alternative fuels (as defined in section 32901(a)
13 of title 49, United States Code).

14 (2) ELIGIBILITY.—

15 (A) IN GENERAL.—Except as provided in
16 subparagraph (B), any entity that is eligible to
17 receive assistance under the Clean Cities Pro-
18 gram shall be eligible to receive a grant under
19 this subsection.

20 (B) EXCEPTIONS.—

21 (i) CERTAIN OIL COMPANIES.—A
22 large, vertically-integrated oil company
23 shall not be eligible to receive a grant
24 under this subsection.

1 (ii) PROHIBITION OF DUAL BENE-
2 FITS.—An entity that receives any other
3 Federal funds for the construction or ex-
4 pansion of alternative refueling infrastruc-
5 ture shall not be eligible to receive a grant
6 under this subsection for the construction
7 or expansion of the same alternative refuel-
8 ing infrastructure.

9 (C) ENSURING COMPLIANCE.—Not later
10 than 30 days after the date of enactment of
11 this Act, the Secretary of Energy shall promul-
12 gate regulations to ensure that, before receiving
13 a grant under this subsection, an eligible entity
14 meets applicable standards relating to the in-
15 stallation, construction, and expansion of infra-
16 structure necessary to increase the availability
17 to consumers of alternative fuels (as defined in
18 section 32901(a) of title 49, United States
19 Code).

20 (3) MAXIMUM AMOUNT.—

21 (A) GRANTS.—The amount of a grant pro-
22 vided under this subsection shall not exceed
23 \$30,000.

24 (B) AMOUNT PER STATION.—An eligible
25 entity shall receive not more than \$90,000

1 under this subsection for any station of the eli-
2 gible entity during a fiscal year.

3 (4) USE OF FUNDS.—

4 (A) IN GENERAL.—A grant provided under
5 this subsection shall be used for the construc-
6 tion or expansion of alternative fueling infra-
7 structure.

8 (B) ADMINISTRATIVE EXPENSES.—Not
9 more than 3 percent of the amount of a grant
10 provided under this subsection shall be used for
11 administrative expenses.

12 **SEC. 518. AUTHORIZATION OF APPROPRIATIONS.**

13 There are authorized to be appropriated to the Sec-
14 retary of Transportation \$25,000,000 for each of fiscal
15 years 2009 through 2021 to carry out the provisions of
16 chapter 329 of title 49, United States Code.

17 **SEC. 519. APPLICATION WITH CLEAN AIR ACT.**

18 Nothing in this title shall be construed to conflict
19 with the authority provided by sections 202 and 209 of
20 the Clean Air Act (42 U.S.C. 7521 and 7543, respec-
21 tively).

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